



# Why Managed Accounts?

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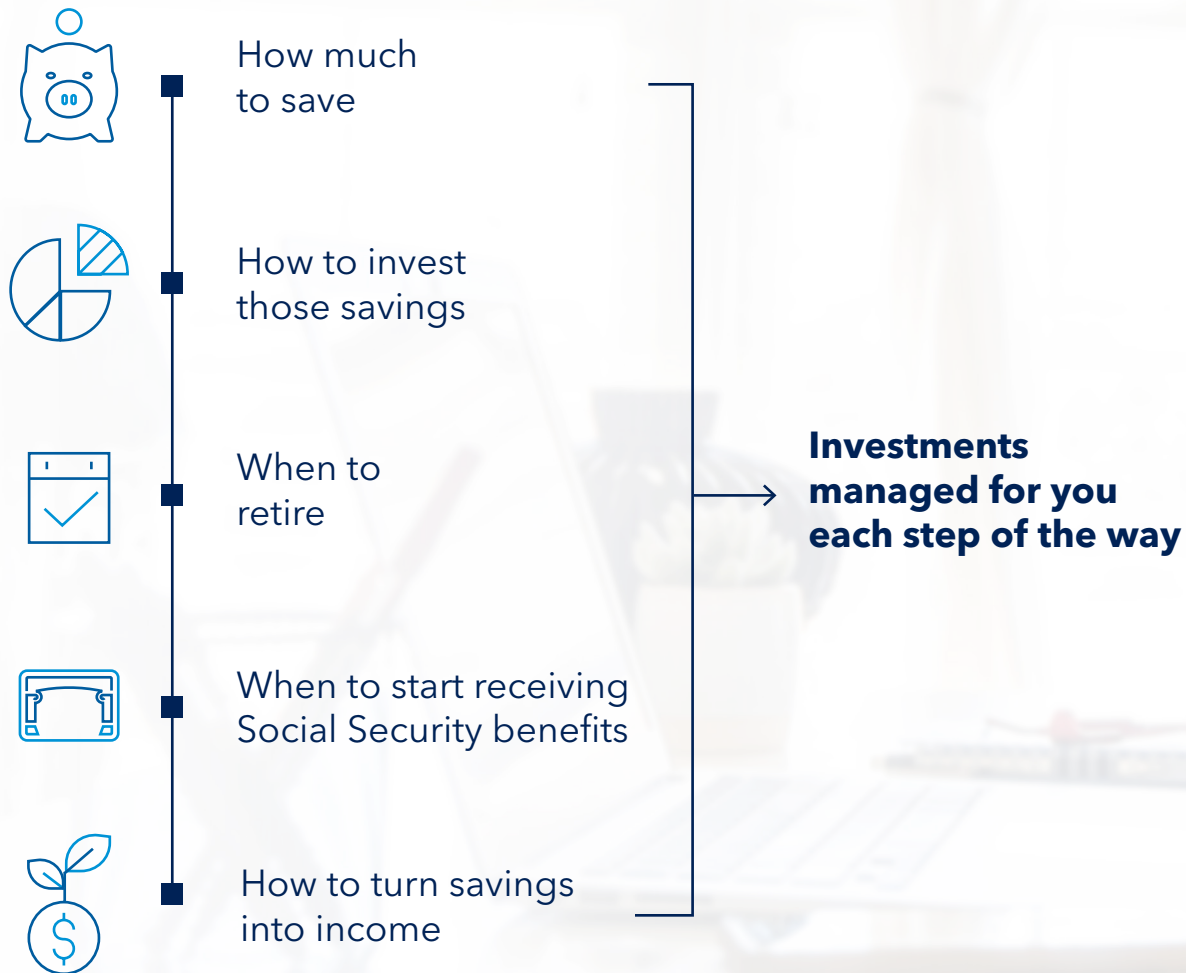
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**MissionSquare**  
RETIREMENT

# Why Managed Accounts?

## **Guided Pathways® Managed Accounts**

provides unbiased, personalized, and ongoing investment management for your MissionSquare Retirement accounts.







**Schedule a consultation  
with a Financial Consultant**  
to learn more about Managed  
Accounts, get a retirement plan  
and investment strategy, and  
determine if you're on track to  
reach your retirement goals.

**It all starts with making sure you save enough.**

The sooner you know how much you need to save, the better. Managed Accounts provides you with a well-thought-out plan that includes a savings rate recommendation based on a detailed analysis of your complete financial situation.

**Know when you can retire.**

Managed Accounts helps you prepare for one of the biggest financial decisions you'll ever make: "When can I retire?"

**Learn when to start receiving Social Security benefits.**

Managed Accounts can help you make an informed decision on when to start receiving Social Security benefits.

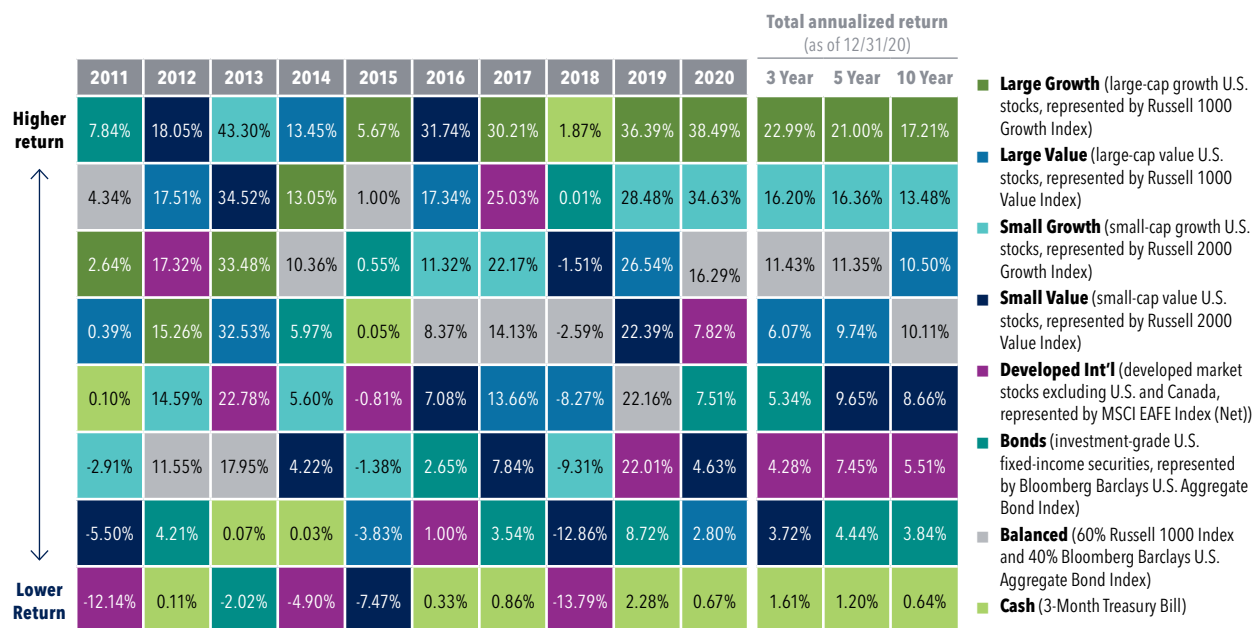
**Your investments are managed for you.**

You will benefit from ongoing professional investment management that provides a diversified portfolio with a level of risk customized for you and a disciplined investing strategy maintained throughout market ups and downs.

**Turn your savings into income during retirement.**

Once you retire, then what? Managed Accounts provides recommendations for taking withdrawals from all of your sources of retirement income to help ensure your money meets your needs and lasts.

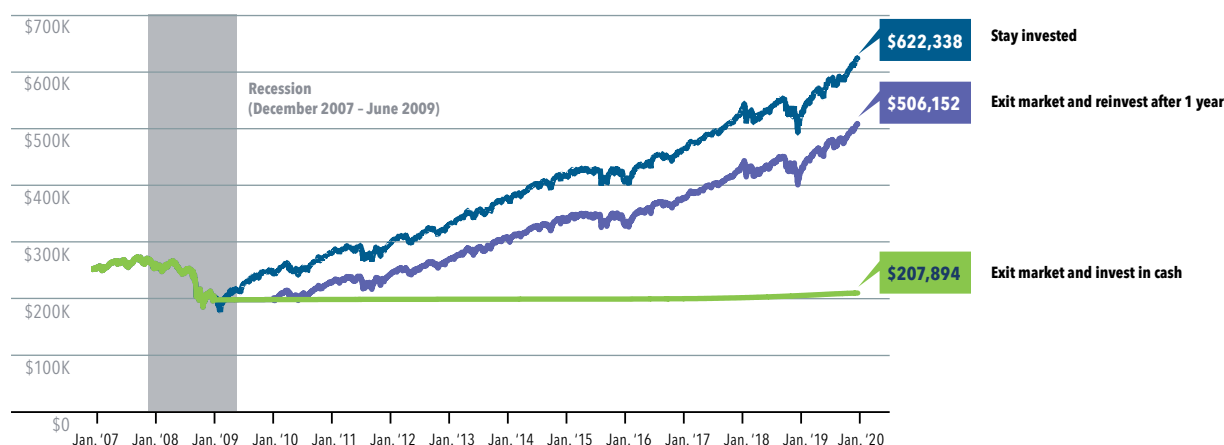
Managed Accounts gives you a diversified investment portfolio, not market predictions that are usually a losing game. Consider this chart, showing how different areas of the stock and bond markets have performed yearly since 2011. Since the markets are so unpredictable, diversification really matters!



Source: Morningstar Direct. Past performance does not guarantee future returns. It is not possible to invest in an actual index.

Managed Accounts gives you a disciplined investment strategy, so you stay invested when maintaining composure is most challenging. Think back to the 2008 financial crisis; those who stayed invested did much better than those who got out of the markets, including those who got back in soon after. Time in the market is more important than trying to time the market.

#### The importance of staying invested Ending wealth values after a market decline



Assumes investment in a balanced portfolio of 60% stocks (S&P 500) and 40% bonds (Bloomberg Barclays U.S. Aggregate) vs. cash as measured by 3-month Treasury Bills. Past performance is no guarantee of future results.

# The advice you receive from Managed Accounts is objective, low-cost, and flexible!

## Independent, third-party financial expert

The advice and investment management is provided by Morningstar Investment Management,<sup>1</sup> an independent third-party financial expert using a sophisticated investment methodology.

This helps ensure that:

- Your financial situation is analyzed based on hundreds of different economic and investment scenarios.
- The emotional biases that can impact investment decision-making are minimized.

## What does it cost?

You pay an ongoing fee for your accounts to be managed and for the advice you receive. Compare our fees to similar services from others – we believe you'll find it's quite a value!

Your Account Balance	Annual Fee <sup>2,3</sup>
First \$100,000	0.50%
Next \$200,000	0.40%
Next \$200,000	0.30%
Over \$500,000	0.20%

## What if i want out?

You can cancel your participation in Managed Accounts at any time – online, by phone, or through your local MissionSquare Retirement representative. To cancel by phone, contact us at **(800) 669-7400**. You can ask questions about your enrollment via email at [GuidedPathways@icmarc.org](mailto:GuidedPathways@icmarc.org).

<sup>1</sup> Investment advice and analysis tools are offered to participants through MissionSquare Retirement, a federally registered investment adviser. Investment advice is the result of methodologies developed, maintained, and overseen by the Independent Financial Expert, Morningstar Investment Management LLC. Morningstar Investment Management LLC is a registered investment adviser and subsidiary of Morningstar, Inc. Morningstar, Inc. and Morningstar Investment Management LLC are not affiliated with MissionSquare Retirement. All rights reserved. The Morningstar name and logo are registered marks of Morningstar, Inc.

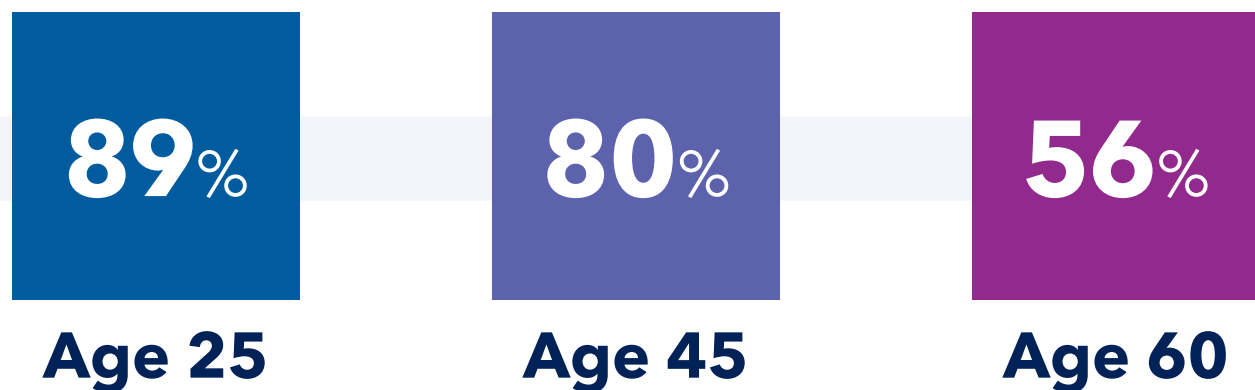
<sup>2</sup> Underlying fund expenses and plan administration fees still apply. Please consult the applicable disclosure materials for a description of these fees and expenses.

<sup>3</sup> Certain Managed Accounts clients will pay less than the annual fee reflected above.

## Can you benefit from a Managed Accounts service?

Morningstar, the Independent Financial Expert for Managed Accounts service, studied thousands of individuals using a similar advice service, and found that:

**Individuals had a higher** chance of more wealth in retirement<sup>†</sup>



<sup>†</sup> A total of 58,444 participants were incorporated in the study, The Impact of Expert Guidance on Participant Savings and Investment Behaviors, and included those who used Morningstar's Retirement Manager services between January 2006 and February 2014. Participants in MissionSquare Retirement's Guided Pathways Advisory Services were not included in this study. Actual results experienced by MissionSquare Retirement participants could vary from those presented in this study.

As part of Guided Pathways Advisory Services, MissionSquare Retirement has entered into a contract with Morningstar Investment Management LLC ("Morningstar Investment Management") to serve as the Independent Financial Expert ("IFE"). However, MissionSquare Retirement does not utilize the Retirement Manager service upon which this study is based. Results experienced by participants in MissionSquare Retirement's Guided Pathways Advisory Services could vary from those presented in this study. Morningstar Investment Management is an SEC registered investment adviser and wholly owned subsidiary of Morningstar, Inc. For additional information on MissionSquare Retirement's Guided Pathways Advisory Services, please refer to our Guided Pathways Advisory Services Part 2A Form ADV which is available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

For each participant in the study, the hypothetical future one-year performance using the participant's portfolio prior to and after using Morningstar's Retirement Manager services is calculated. The difference between these results was then projected forward to the participant's assumed retirement at age 65, including an annual fee of 0.4%. Participants were categorized based on their age upon first using Morningstar's Retirement Manager services, and the ratio of participants in each age category who had better results after using Morningstar's Retirement Manager services to the total number of participants in that category was calculated to arrive at the aggregate likelihood value. For example, the analysis shows that an average 25-year-old using Morningstar's Retirement Manager services has an 89% likelihood of having more wealth at retirement compared to an average 25-year-old who did not use the services. The likelihood amount varies by age, and tends to decrease with the age the participant first uses the Morningstar Retirement Manager services; i.e., a 45-year-old has an 80% likelihood and a 60-year-old has a 56% likelihood of having more wealth at retirement. Additionally, the likelihood of more wealth at retirement increases as the management fee decreases; conversely, decreases as the management fee increases.

Founded in 1972, **MissionSquare Retirement** helps those who serve their communities build toward a secure and confident financial future. MissionSquare is a mission-based, nonstock, nonprofit, financial services company that focuses on delivering results-oriented retirement plans, education, investments, and advice for over 1.5 million public participant accounts. For more information, visit **[www.missionsq.org](http://www.missionsq.org)**.

